Demand and supply of fertilizers

†41. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI SHIVANAND TIWARI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the production of chemical fertilizers in the country has not been in accordance with their demand during the last few years;

(b) if so, the facts thereof;

(c) whether it is also a fact that in order to meet the demand of fertilizers in the country, dependence on their import has increased; and

(d) if so, the quantum of increase in import of fertilizers to meet their demand in the country during the years 2003-04 and 2007-08?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) Requirement of major fertilizers under subsidy regime in the country *viz.* Urea, DAP and complex grade fertilizers has shown increase during the past few years and the gap between requirement and production has been met through increased import of urea and Di-ammonium Phosphate (DAP). Details regarding production and import of urea and DAP during the years 2003-04 to 2007-08 are indicated below:-

(Lakh MT)

Year	Urea		DAP		Complexes**
	Production	Import	Production	Import	Production
2003-04	192.03	0.0	47.34	7.34	45.11
2004-05	202.64	6.41	51.84	6.44	53.63
2005-06	200.09	20.57	46.28	28.27	67.64
2006-07	203.09	47.19	48.52	28.75	74.64
2007-08	198.60	69.28	42.12	29.90*	58.50

*Includes 2.66 LMT of Mono-ammonium Phosphate.

**Complexes are not imported

Above table indicates that dependence on imports has increased.

Production of fertilizers

42. SHRI AMIR ALAM KHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the quantum of production of fertilizers in the country during the last two years, State-wise;

†Original notice of the question was received in Hindi.

(b) the details of distribution of fertilizers from these units, State-wise;

(c) whether fertilizers are in short of supply in the country and if so, the details thereof;

(d) whether farmers have suffered any losses due to scarcity of fertilizers in the country; and

(e) if so, the remedial action by Government to mitigate the problems of farmers and ensure timely supply and availability of fertilizers to farmers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (e) Details regarding State-wise production of major fertilizers under subsidy regime *viz.* urea, DAP and complexes during 2006-07 and 2007-08 are indicated at Statement-I. (See below)

Urea is the only fertilizer which is under partial movement and distribution control of the Government. Union Government ensures availability of urea at State level. State Governments are responsible for its distribution within the State. All other fertilizers, *viz.* DAP, MOP, SSP and NPK etc. are decontrolled/decanalized sine 1992. The availability of phosphatic and potassic fertilizers is decided by the market forces of demand and supply. Details indicating State-wise requirement, availability and sales of urea, DAP and MOP during 2006-07 and 2007-08 are given in Statement-II and Statement-III respectively. (*See* below) Monitoring of availability and sales of complex fertilizers has started from 1st April 2008 onwards only.

The availability of fertilizers in various states during the last two years given in Statement-II and Statement-III indicates that availability has been more than the sales.

Statement-I

(A) State-wise Production of Urea for 2006-07 and 2007-08

('000' MT)

Name of State/Zone	2006-07 Qty.	2007-08 Qty.
1	2	3
SOUTH ZONE		
Andhra Pradesh	1324.1	1354.4
Kerala	0.0	0.0
Karnataka	370.1	379.6
Tamil Nadu	1118.8	440.5
Total (South Zone):	2813.0	2174.5

1	2	3
WEST ZONE		
Goa	402.5	395.4
Madhya Pradesh	1849.4	1766.5
Maharashtra	1861.0	1832.3
Gujarat	3154.2	3195.3
Rajasthan	2286.7	2380.8
Total (West Zone):	9553.8	9570.3
EAST ZONE		
Jharkhand	0.0	0.0
Bihar	0.0	0.0
Orissa	0.0	0.0
West Bengal	0.0	0.0
Assam	307.4	329.3
Total (East Zone):	307.4	329.3
NORTH ZONE		
Haryana	508.7	511.6
Punjab	992.9	990.1
Uttar Pradesh	6133.0	6282.4
Total (North Zone):	7634.6	7784.1
GRAND TOTAL	20308.8	19858.2

(B) State-wise Production of DAP fertilizers for 2006-07 and 2007-08

('000'MT)

Name of State/Zone	2006-07 Qty.	2007-08 Qty.
1	2	3
SOUTH-ZONE		
Andhra Pradesh	616.1	567.9

1	2	3
Kerala	0.0	0.0
Karnataka	203.9	211.4
Tamil Nadu	286.4	71.5
Total (SZ):	1106.4	850.8
WEST-ZONE		
Goa	198.2	212.5
Gujarat	1854.7	1438.0
Total (WZ):	2052.9	1650.5
EAST-ZONE		
Orissa	1240.4	1473.0
West Bengal	452.1	237.6
Total (EZ):	1692.5	1710.6
GRAND TOTAL:	4851.8	4211.9

(C) State-wise Production of Complex fertilizers for 2006-07 and 2007-08

('000' MT)

Name of Zone/State	2006-07 Qty.	2007-08 Qty.
1	2	3
SOUTH-ZONE		
Andhra Pradesh	1477.1	1194.5
Kerala	715.9	425.0
Karnataka	52.9	33.7
Tamil Nadu	390.0	223.5
Total (SZ):	2636.5	1876.7
WEST-ZONE		
Goa	537.8	477.1

1	2	3
Maharashtra	580.6	519.7
Gujarat	2224.8	1908.0
Total (WZ):	3343.2	2904.8
EAST-ZONE		
Orissa	830.4	676.8
West Bengal	654.4	392.3
Total (EZ):	1484.8	1069.1
GRAND TOTAL:	7464.5	5850.6

Statement-II

Statewise availability and sales of UREA, DAP and MOP during 2006-2007

2006-07 Qty in (LMTs)

PRODUCT		UREA			DAP			MOP	
Name of State	Req.1st April.06 To 31st March 2007	Availability	Sales	Req.1st April.06 to 31st March 2007	Availability	Sales	Req.1st April.06 to 31st March 2007	Availability	Sales
1	2	3	4	5	6	7	8	9	10
Andhra Pradesh	27.00	24.52	22.13	6.69	6.15	5.97	5.21	3.90	3.72
Karnataka	11.20	11.55	10.92	5.00	5.25	4.88	3.90	3.14	2.76
Kerala	1.46	1.33	1.27	0.17	0.23	0.23	1.40	1.13	1.12
Tamil Nadu	10.00	9.59	9.18	3.85	3.98	3.84	4.85	3.48	3.48
Gujarat	15.00	15.22	15.03	5.75	5.79	4.56	1.65	1.46	1.42
Madhya Pradesh	12.10	13.89	13.16	6.20	5.76	4.96	0.50	0.75	0.67
Chhattisgarh	4.90	5.93	5.53	1.38	1.59	1.27	0.52	0.67	0.59
Maharashtra	19.00	20.70	19.87	6.25	7.06	6.49	3.00	2.48	2.34
Rajasthan	13.20	12.80	12.26	5.60	4.30	4.05	0.22	0.07	0.07
Haryana	17.50	18.04	17.33	5.60	5.04	4.46	0.40	0.32	0.23
Punjab	25.00	26.16	25.74	7.90	7.60	7.12	0.90	0.52	0.47

1	2	3	4	5	6	7	8	9	10
Jammu and Kashmir	1.42	1.15	1.05	0.71	0.55	0.51	0.21	0.10	0.10
Uttar Pradesh	50.00	53.50	51.83	14.50	14.42	12.94	2.30	1.34	1.22
Uttaranchal	1.65	2.17	2.10	0.32	0.24	0.23	0.12	0.06	0.04
Bihar	17.50	16.32	16.01	4.50	3.29	2.65	2.50	1.04	1.00
Jharkhand	1.74	1.63	1.60	1.10	0.71	0.68	0.07	0.01	0.01
Orissa	4.70	4.44	4.21	0.98	1.16	1.03	0.92	0.85	0.75
West Bengal	12.00	12.28	11.94	4.10	3.99	3.54	3.58	2.78	2.51
Assam and Other N.E.	3.08	2.67	2.47	0.51	0.27	0.24	0.82	0.59	0.54
Other Total	1.10	0.90	0.90	0.20	0.17	0.12	0.20	0.13	0.13
All India	249.55	254.79	244.52	81.31	77.57	69.75	33.27	24.82	23.17

Statement-III

State wise availability and sale of Urea, DAP and MOP during 2007-08

2007-08	UREA			DAP/MAP			MOP		
Name of State	Require-ment	Availa-bility	Sales	Require-ment	Availa-bility	Sales	Require-ment	Availa-bility	Sales
1	2	3	4	5	6	7	8	9	10
Andhra Pradesh	27.50	26.84	25.12	8.24	7.16	7.15	5.55	4.52	4.50
Karnatka	12.80	13.63	12.54	5.80	4.54	4.50	4.00	3.70	3.58
Kerala	1.40	1.44	1.34	0.28	0.18	0.18	1.40	1.19	1.16
Tamil Nadu	9.85	9.68	9.16	4.25	3.35	3.35	4.90	4.85	4.77
Gujarat	17.25	18.37	17.93	5.80	6.76	6.47	1.70	1.82	1.79
Madhya Pradesh	13.75	14.76	14.31	7.50	6.82*	6.34	1.10	0.76	0.74
Chhattisgarh	5.90	6.17	5.87	1.70	1.38	1.35	0.74	0.69	0.62
Maharashtra	21.20	23.05	21.39	7.05	6.45	6.29	3.05	3.46	3.23
Rajasthan	14.70	13.83	13.21	6.05	5.51*	4.50	0.23	0.23	0.19
Haryana	18.75	19.30	18.47	5.85	6.80*	5.36	0.50	0.34	0.29
Punjab	25.00	26.97	26.46	8.00	9.14*	6.81	0.95	0.58	0.57

1	2	3	4	5	6	7	8	9	10
Uttar Pradesh	55.00	54.37	52.72	15.50	14.89*	13.20	3.00	1.27	1.14
Uttaranchal	2.30	2.42	2.31	0.32	0.23	0.23	0.18	0.05	0.05
Jammu and Kashmir	1.40	1.19	1.15	0.84	0.33	0.33	0.28	0.07	0.07
Bihar	20.00	19.40	18.56	4.25	3.30	3.07	2.05	1.19	1.07
Jharkhand	2.10	1.67	1.58	0.90	0.75	0.74	0.13	0.08	0.08
Orissa	5.50	5.19	4.58	1.25	1.79	1.72	1.20	1.05	1.01
West Bengal	12.95	12.45	11.56	4.55	3.80	3.78	4.00	2.76	2.73
Assam	2.30	1.99	1.93	0.70	0.08	0.85	0.85	0.40	0.40
All India	271.70	274.26	261.71	89.21	83.40	75.55	36.13	29.28	28.28

*Includes, the stock available with State Federations MP-0.35 LMT, Rajasthan-0.77 LMT, Haryana-1.15 LMT, Punjab-1.96 LMT and Uttar Pradesh-1.21 LMT aggregating 5.44 LMT (Sales of which is not available).

Shortage of fertilizers in the Southern States

43. DR. T. SUBBARAMI REDDY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether even as food prices continue to soar driving up inflation, there is more bad news on the farm front this time from the South;

(b) if so, whether Tamil Nadu, Andhra Pradesh and Karnataka are expected to face a total fertilizer shortage of 20.12 lakh tonnes;

(c) whether Karnataka and Andhra Pradesh have been facing a huge agrarian economy;

(d) if so, what are the main reasons for the shortage of fertilizers in these States;

(e) what are the concrete measures Government has taken; and

(f) to what extent Union Government has agreed to meet fertilizer shortage in these States?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (f) Urea is the only fertilizer which is under partial movement and distribution control of the Government. Union Government ensures availability of urea at State level. State Governments are responsible for its distribution within the State. All other fertilizers *viz.* DAP, MOP, SSP and NPK etc. are decontrolled/de-canalized since 1992. The availability of Phosphatic and Potassic fertilizers is decided by the market forces of demand and supply.

Department of Fertilizers monitors availability of fertilizers namely, Urea, DAP, MOP and NPK through Fertilizer Monitoring System (FMS), in the States.

The table below gives the details of demand and supply of urea, DAP and MOP the State of Tamil Nadu, Andhra Pradesh and Karnataka during Kharif' 2008 season:

('000 MT)

State	Particulars	Urea	DAP	MOP	NPK
Tamil Nadu	Demand/ Assessed requirement	435.00	210.00	200.00	175.00
	Supply (Availability)	453.37	191.52	272.73	129.00
	Sales	449.40	191.46	268.66	128.17
Andhra Pradesh	Demand/ Assessed requirement	1350.00	425.00	250.00	1150.00
	Supply (Availability)	1420.41	535.27	316.66	894.01
	Sales	1363.94	534.59	314.28	883.02
Karnataka	Demand/ Assessed requirement	800.00	380.00	230.00	567.00
	Supply (Availability)	747.00	430.01	305.64	456.68
	Sales	738.64	429.27	291.31	452.44

As can be seen, there is no shortage of Urea, DAP and MOP. The availability has been adequate enough to sustain the sales/requirement.

Revival of FACT

44. SHRI THENNALA G. BALAKRISHNA PILLAI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government has any proposal for the development of Fertilizers and Chemicals Travancore Ltd., Kerala; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) Fertilizers and Chemicals Travancore Limited (FACT) has been facing a financial crisis due to a variety of reasons. A study by a reputed consultant was commissioned to suggest measures for enhancing operational efficiency including cost cutting measures. The recommendations of the consultant are under examination by the Board of Directors of the company.

Brown field project

45. SHRI BIRENDRA PRASAD BAISHYA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state: